

Fill in this information to identify the case:

United States Bankruptcy Court for the:

NORTHERN DISTRICT OF TEXASCase number (if known): _____ Chapter 11☐ Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

04/19

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, Instructions for Bankruptcy Forms for Non-Individuals, is available.

1. Debtor's name Dougherty's Holdings, Inc.
2. All other names debtor used in the last 8 years
Include any assumed names, trade names and *doing business as* names
3. Debtor's federal Employer Identification Number (EIN) 8 1 - 0 6 4 4 3 9 3
4. Debtor's address

Principal place of business <u>5924 Royal Lane</u> Number Street <u>Suite 250</u> <u>Dallas TX 75230</u> City State ZIP Code <u>Dallas</u> County	Mailing address, if different from principal place of business Number Street P.O. Box City State ZIP Code Location of principal assets, if different from principal place of business Number Street City State ZIP Code
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5. Debtor's website (URL) _____
6. Type of debtor

☒ Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
☐ Partnership (excluding LLP)
☐ Other. Specify: _____

Debtor **Dougherty's Holding, Inc.**

Case number (if known) _____

7. Describe debtor's business*A. Check one:*

- ☒ Health Care Business (as defined in 11 U.S.C. § 101(27A))
☐ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
☐ Railroad (as defined in 11 U.S.C. § 101(44))
☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))
☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))
☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))
☐ None of the above

B. Check all that apply:

- ☐ Tax-exempt entity (as described in 26 U.S.C. § 501)
☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. § 80a-3)
☐ Investment advisor (as defined in 15 U.S.C. § 80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor. See <http://www.uscourts.gov/four-digit-national-association-naics-codes>

8. Under which chapter of the Bankruptcy Code is the debtor filing?*Check one:*

- ☐ Chapter 7
☐ Chapter 9
☒ Chapter 11.

Check all that apply:

- ☐ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,725,625 (amount subject to adjustment on 4/01/22 and every 3 years after that).
☐ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
☐ A plan is being filed with this petition.
☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
☐ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the Attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy Under Chapter 11 (Official Form 201A) with this form.
☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

☐ Chapter 12**9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?**☒ No☐ Yes. District _____

When _____

Case number _____

MM / DD / YYYY

District _____

When _____

Case number _____

MM / DD / YYYY

District _____

When _____

Case number _____

MM / DD / YYYY

If more than 2 cases, attach a separate list.

Debtor **Dougherty's Holding, Inc.**

Case number (if known) _____

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

List all cases. If more than 1, attach a separate list.

☐ No☒ Yes. Debtor **See Exhibit "A"** Relationship _____District _____ When _____
MM / DD / YYYY

Case number, if known _____

Debtor _____ Relationship _____

District _____ When _____
MM / DD / YYYY

Case number, if known _____

11. Why is the case filed in this district?*Check all that apply:*☒ Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.☐ A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.**12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?**☒ No☐ Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.**Why does the property need immediate attention?** *(Check all that apply.)*☐ It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.

What is the hazard? _____

☐ It needs to be physically secured or protected from the weather.☐ It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).☐ Other _____**Where is the property?**

Number _____ Street _____

City _____ State _____ ZIP Code _____

Is the property insured?☐ No☐ Yes. Insurance agency _____

Contact name _____

Phone _____

Statistical and administrative information**13. Debtor's estimation of available funds***Check one:*☒ Funds will be available for distribution to unsecured creditors.☐ After any administrative expenses are paid, no funds will be available for distribution to unsecured creditors.

Debtor **Dougherty's Holding, Inc.**

Case number (if known) _____

14. Estimated number of creditors
- | | | |
|---|--|--|
| <input type="checkbox"/> 1-49 | <input type="checkbox"/> 1,000-5,000 | <input type="checkbox"/> 25,001-50,000 |
| <input type="checkbox"/> 50-99 | <input type="checkbox"/> 5,001-10,000 | <input type="checkbox"/> 50,001-100,000 |
| <input checked="" type="checkbox"/> 100-199 | <input type="checkbox"/> 10,001-25,000 | <input type="checkbox"/> More than 100,000 |
| <input type="checkbox"/> 200-999 | | |
15. Estimated assets
- | | | |
|--|--|--|
| <input type="checkbox"/> \$0-\$50,000 | <input checked="" type="checkbox"/> \$1,000,001-\$10 million | <input type="checkbox"/> \$500,000,001-\$1 billion |
| <input type="checkbox"/> \$50,001-\$100,000 | <input type="checkbox"/> \$10,000,001-\$50 million | <input type="checkbox"/> \$1,000,000,001-\$10 billion |
| <input type="checkbox"/> \$100,001-\$500,000 | <input type="checkbox"/> \$50,000,001-\$100 million | <input type="checkbox"/> \$10,000,000,001-\$50 billion |
| <input type="checkbox"/> \$500,001-\$1 million | <input type="checkbox"/> \$100,000,001-\$500 million | <input type="checkbox"/> More than \$50 billion |
16. Estimated liabilities
- | | | |
|--|--|--|
| <input type="checkbox"/> \$0-\$50,000 | <input checked="" type="checkbox"/> \$1,000,001-\$10 million | <input type="checkbox"/> \$500,000,001-\$1 billion |
| <input type="checkbox"/> \$50,001-\$100,000 | <input type="checkbox"/> \$10,000,001-\$50 million | <input type="checkbox"/> \$1,000,000,001-\$10 billion |
| <input type="checkbox"/> \$100,001-\$500,000 | <input type="checkbox"/> \$50,000,001-\$100 million | <input type="checkbox"/> \$10,000,000,001-\$50 billion |
| <input type="checkbox"/> \$500,001-\$1 million | <input type="checkbox"/> \$100,000,001-\$500 million | <input type="checkbox"/> More than \$50 billion |

Request for Relief, Declaration, and Signatures

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

17. Declaration and signature of authorized representative of debtor
- ☒ The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.
 - ☒ I have been authorized to file this petition on behalf of the debtor.
 - ☒ I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 08/28/2019

MM / DD / YYYY

X

Signature of authorized representative of debtor

Steward Edington

Printed name

Title **President/CEO**

18. Signature of attorney

X **/s/ Gerrit M. Pronske**

Signature of attorney for debtor

Date **08/28/2019**

MM / DD / YYYY

Gerrit M. Pronske

Printed name

Pronske & Kathman, P.C.

Firm name

2701 Dallas Parkway

Number Street

Suite 590

Plano

City

TX

State

75093

ZIP Code

(214) 658-6500

Contact phone

16351640

Bar number

gpronske@pronskepc.com

Email address

TX

State

EXHIBIT “A”

10. **Debtor:** Dougherty’s Pharmacy, Inc.
Relationship to you: Affiliate
District: Northern District of Texas

Debtor: Dougherty’s Pharmacy, Inc.
Relationship to you: Affiliate
District: Northern District of Texas

Debtor: Dougherty’s Pharmacy Forest Park, LLC
Relationship to you: Affiliate
District: Northern District of Texas

Debtor: Dougherty’s Pharmacy McAlester, LLC
Relationship to you: Affiliate
District: Northern District of Texas

WRITTEN CONSENT & RESOLUTIONS

of the
SOLE SHAREHOLDER

of
DOUGHERTY'S HOLDINGS, INC.

August 27, 2019

The undersigned, constituting the Sole Shareholder (the "Sole Shareholder") of Dougherty's Holdings, Inc. (the "Company"), hereby consents in writing ("Consent") to and approve the Resolutions set forth herein and each and every action effected thereby.

This Consent may be executed in counterparts, each of which shall be deemed an original, and all of which, taken together shall constitute one instrument. A copy of this Consent signed and delivered by telecopy, email, facsimile transmission shall be considered an original.

**VOLUNTARY PETITION FOR RELIEF UNDER TITLE 11 OF THE UNITED STATES
CODE**

WHEREAS, the Sole Shareholder has considered the Company's assets, liabilities, liquidity, the strategic alternatives available to the Company, offers to sell the Company or its Assets, and the impact of the forgoing on the Company's business; and

WHEREAS, the Sole Shareholder upon the advice of professionals has determined that it is advisable and in the best interests of the Company, its creditors, and other interested parties that the Company file a petition in the United States Bankruptcy Court for the Northern District of Texas (the "Bankruptcy Court") under the provisions of the United States Code, 11 U.S.C. §§ 101, et seq. (the "Bankruptcy Code") in such form and at such time as the officers of the Company executing said petition shall determine (the "Bankruptcy Case").

NOW, THEREFORE, BE IT RESOLVED, that the President and Chief Executive Officer of the Company (the "President") is authorized, and empowered, on behalf of and in the name of the Company, to file the Bankruptcy Case;

RESOLVED FURTHER, that the President is authorized, and empowered, on behalf of and in the name of the Company to employ and retain the law firm of Pronske & Kathman P.C. ("P&K") as bankruptcy counsel for the Company in the Bankruptcy Case, to represent and assist the Company in carrying out its respective duties under the Bankruptcy Code, and to take any and all actions to advance the Company's rights and obligations and, in connection therewith, is authorized and directed to execute an appropriate retention agreement, pay appropriate retainers, and cause to be filed appropriate applications for authority to retain the services of P&K. To the extent that the appropriate retention agreement has been executed and retainers paid, the Sole Shareholder hereby retroactively approves same;

RESOLVED FURTHER, that the President of the Company is authorized, and empowered, on behalf of and in the name of the Company, to employ and retain such further legal, financial,

accounting and bankruptcy services firms (together with P&K, collectively the “Professionals”) as may be deemed necessary or appropriate by the officer(s) of the Company for the Bankruptcy Case and, in connection therewith, is authorized and directed to execute appropriate retention agreements, pay appropriate retainers, and cause to be filed appropriate applications for authority to retain services of such Professionals;

RESOLVED FURTHER, that all acts lawfully done or actions lawfully taken by the President of the Company or any Professional to seek relief on behalf of the Company under the Bankruptcy Code or in connection with the Bankruptcy Case, or any matter or proceeding related thereto, be, and hereby are, adopted, ratified, confirmed, and approved in all respects as the acts and deeds of the Company;

RESOLVED FURTHER, that the Company, as debtor and debtor-in-possession under chapter 11 of the Bankruptcy Code, shall be and hereby is authorized to: (a) borrow and/or receive funds from and undertake any and all related transactions contemplated thereby including without limitation debtor in possession financing and bankruptcy exit financing (collectively, the “Financing Transactions”) and negotiate, execute, and deliver agreements, including without limitation, debtor- in-possession financing agreements, bankruptcy exit financing agreements, and related documents and agreements with any party, including existing lenders, and on such terms as may be approved by any one of the officer, as reasonably necessary for the affairs of the Company and (b) pay related fees, costs, and expenses related thereto and grant security interests in and liens on some, all, or substantially all of the Company's assets, as may be deemed necessary by the President of the Company in connection with such borrowings;

RESOLVED FURTHER that the President of the Company is authorized, and empowered, with full power of delegations, in the name of, and on behalf of, the Company, as a debtor and debtor- in-possession, to take such actions and execute and deliver such agreements, notes, guaranties, reaffirmations, certificates, instruments, notices, and any and all other documents as may be deemed necessary or appropriate to facilitate or consummate the Financing Transactions;

RESOLVED FURTHER that the President of the Company is authorized, and empowered, with full power of delegations, for and in the name and on behalf of the Company to amend, supplement, or otherwise modify from time to time the terms of any documents, certificates, instruments, agreements, or other writings referred to, discussed in or related to the matter referred to in the foregoing resolutions; and

RESOLVED FURTHER that any and all actions of any officer or director of the Company taken prior to the date hereof to (a) carry out the purposes of the foregoing resolutions and the transactions contemplated thereunder, and (b) take any such action to constitute conclusive evidence of the exercise of such discretionary authority, be and hereby are ratified, approved, and confirmed in all respects.

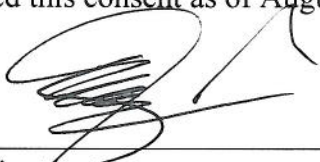
GENERAL IMPLEMENTING AUTHORITY

RESOLVED that the President of the Company is authorized, and empowered, with power of full delegation, on behalf of and in the name of the Company (a) to operate the business of and

conduct business for and on behalf of the Company during the course of the Bankruptcy Case and (b) to execute, verify, and/or file, or cause to be filed and/or executed or verified (or direct others to do so on the Company's behalf as provided herein) all necessary documents, including, without limitation, all petitions, applications to employ and retain all assistance by legal counsel, accountants, or other Professionals and to take any and all action that they deem necessary and proper in connection with the Bankruptcy Case; and

RESOLVED FURTHER that the President of the Company is authorized, and empowered, for and in the name and on behalf of the Company to take or cause to take or cause to be taken any and all such further action and to execute and deliver or cause to be executed and delivered all such further agreements, documents, certificates, and undertakings, and to incur all such fees and expenses, as in his judgment shall be necessary, appropriate, or advisable to effectuate the purpose and intent of any and all of the foregoing resolutions.

IN WITNESS WHEREOF, the undersigned, being the sole Shareholder of the Company has executed this consent as of August 27, 2019.



Stewart Edington
Dougherty's Pharmacy, Inc., Sole Shareholder
President & Chief Executive Officer



Shumit Patel
Dougherty's Pharmacy, Inc., Sole Shareholder
Sr. Director of Finance & Administration

[Troy Phillips]
Dougherty's Pharmacy, Inc., Sole Shareholder
Board Member



[Anthony LeVecchio]
Dougherty's Pharmacy, Inc., Sole Shareholder
Board Member


conduct business for and on behalf of the Company during the course of the Bankruptcy Case and (b) to execute, verify, and/or file, or cause to be filed and/or executed or verified (or direct others to do so on the Company's behalf as provided herein) all necessary documents, including, without limitation, all petitions, applications to employ and retain all assistance by legal counsel, accountants, or other Professionals and to take any and all action that they deem necessary and proper in connection with the Bankruptcy Case; and

RESOLVED FURTHER that the President of the Company is authorized, and empowered, for and in the name and on behalf of the Company to take or cause to take or cause to be taken any and all such further action and to execute and deliver or cause to be executed and delivered all such further agreements, documents, certificates, and undertakings, and to incur all such fees and expenses, as in his judgment shall be necessary, appropriate, or advisable to effectuate the purpose and intent of any and all of the foregoing resolutions.

IN WITNESS WHEREOF, the undersigned, being the sole Shareholder of the Company has executed this consent as of August 27, 2019.

Stewart Edington
Dougherty's Pharmacy, Inc., Sole Shareholder
President & Chief Executive Officer

Shumit Patel
Dougherty's Pharmacy, Inc., Sole Shareholder
Sr. Director of Finance & Administration



[Troy Phillips]
Dougherty's Pharmacy, Inc., Sole Shareholder
Board Member

[Anthony LeVecchio]
Dougherty's Pharmacy, Inc., Sole Shareholder
Board Member

A handwritten signature in black ink, appearing to read "Will Cureton". The signature is written in a cursive style with a large, stylized "W" and "C".

[Will Cureton]

Dougherty's Pharmacy, Inc., Sole Shareholder
Board Member

[Josh Womack]

Dougherty's Pharmacy, Inc., Sole Shareholder
Board Member

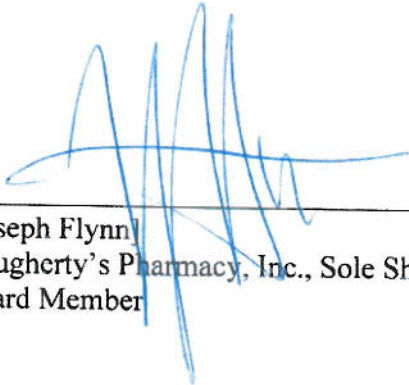
[Joseph Flynn]

Dougherty's Pharmacy, Inc., Sole Shareholder
Board Member

[James Leslie]
Dougherty's Pharmacy, Inc., Sole Shareholder
Board Member

[Will Cureton]
Dougherty's Pharmacy, Inc., Sole Shareholder
Board Member

[Josh Womack]
Dougherty's Pharmacy, Inc., Sole Shareholder
Board Member



[Joseph Flynn]
Dougherty's Pharmacy, Inc., Sole Shareholder
Board Member